

# Calendar No. 451

86TH CONGRESS }  
1st Session }

SENATE

REPORT  
No. 458

## AMENDING THE ACT OF MARCH 3, 1901, TO ELIMINATE THE REQUIREMENT THAT CERTAIN DISTRICT OF COLUMBIA CORPORATIONS BE MANAGED BY NOT MORE THAN 15 TRUSTEES

JUNE 30, 1959.—Ordered to be printed

Mr. BEALL, from the Committee on the District of Columbia, submitted the following

### REPORT

[To accompany H.R. 4454]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 4454) to amend the act of March 3, 1901, to eliminate the requirement that certain District of Columbia corporations be managed by not more than 15 trustees, after full consideration, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of this bill is to amend the act of March 3, 1901, so as to eliminate the requirement that certain District of Columbia corporations be managed by not more than 15 trustees. At the present time, business corporations incorporated under sections 605 through 641 of the aforementioned act (31 Stat. 1284; title 29, ch. 2, D.C. Code, 1951 edition) are required, by section 608 of such act, to limit the number of their trustees to "not less than three nor more than fifteen". The purpose of H.R. 4454 is to strike the words "nor more than fifteen", thus enabling such corporations to have more than 15 trustees.

The removal of this restriction will allow certain insurance companies to have as many directors as the demands of their business may require. The majority of business corporations which are incorporated in the District of Columbia do not have an upward limitation on the number of trustees (directors). In this regard, enactment of this bill will put the insurance companies on a parity with other business corporations.

The Commissioners of the District of Columbia have no objection to the passage of this bill, and the enactment of this legislation would not involve any additional expense to the District of Columbia.



## 2 CONCERNING CERTAIN DISTRICT OF COLUMBIA CORPORATIONS

### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law in the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

31 STAT. 1285, CH. 854, SEC. 608 (D.C. CODE 29-204)

The stock, property, and concerns of such company shall be managed by not less than three [nor more than fifteen] trustees, who shall, respectively, be stockholders, and a majority citizens of the District, and shall, except for the first year, be annually elected by the stockholders, at such time and place as shall be determined by the bylaws of the company.

